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SIPDIS

STATE FOR EUR/OHI (J BECKER), DRL/SEAS (G RICKMAN)

SIPDIS

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TAGS: PHUM PREL SOCI LG

SUBJECT: LATVIA: PARLIAMENT PUNTS ON NEXT PHASE OF JEWISH
RESTITUTION (HEIRLESS PROPERTY BILL)

REF: A) RIGA 924, B) RIGA 921

¶11. Summary: The Saeima (Latvian parliament) on November 23 rejected a draft bill that would have provided financial assistance to the local Jewish community to compensate the losses suffered during the Holocaust and the Soviet occupation of Latvia. The government's bill failed because abstentions far outnumbered either the votes for or against. The bill, tabled by the GOL itself, deals only with heirless Jewish property that could not earlier be regained via Latvia's denationalization laws--because there were no identifiable heirs for the property. It stipulates that the GOL would pay 32 million lats (about USD 55 million) over a ten-year period to the Jewish community. Now the bill has been sent back to the government, and its fate is unclear. Both President Vike-Freiberga and the local Jewish community have expressed their disappointment over the vote, and said they hope that an acceptable solution to the issue will eventually be found. End summary.

¶12. With all four ruling coalition factions and the center-right opposition New Era faction merely voting present, the Saeima on November 23 voted down (12-6-67) a bill that provided 32 million lats (USD 55 million) assistance to the Jewish communities to compensate for the Holocaust and Soviet occupation losses. Despite an earlier agreement reached between the Jewish community and the Cabinet of Ministers, which tabled the bill, the Saeima rejected the legislation without a debate citing "legal contradictions." According to press accounts, this was the first time in history that a Latvian cabinet approved draft legislation, sent it to the Saeima, and then the parties making up the government abstained on the vote to send the legislation to committee for consideration.

¶13. The vote comes after a week of intensive campaigning against the bill in the Ventspils-controlled newspaper Neatkariga Rita Avize. The campaign began with an open letter from prominent lawyer Andris Grutups, claiming that the compensation law was legally faulty and unjust towards other minorities who suffered during the Holocaust (e.g., Roma). Grutups has close ties with influential ex-prime minister Andris Skele who is the founder of the People's party, a senior coalition partner. Also, many members of parliament reportedly consider other public issues, particularly in the area of health care, as more urgent--and prefer to allocate state funds to these issues first.

¶14. The bill only applies to heirless Jewish property. Most restitution in Latvia, including for identifiable heirs within the Jewish community, has already been accomplished. The GOL worked closely with the local Jewish community to draw up a limited list of properties "which can be legally correctly deemed as having belonged to the Jewish organizations or natural persons and whose owners and their heirs have perished during the Holocaust, and which respectively have become the property of the state or a municipality in Latvia but have not been regained within the scope of the denationalization laws." The agreed compensation of 32 million lats would be payable to the Jewish community from 2007 until 2016.

¶5. After the vote in parliament, President Vaira Vike-Freiberga expressed her surprise that the ruling coalition factions turned down a bill tabled by their own government, and described the move as a "lack of political courage." The President said she had earlier understood that there was "political will" to resolve this politically sensitive issue. Prime Minister Kalvitis suggested that the members of the Jewish community should meet with Saeima deputies and explain their position on the compensation bill. In its statement, the Jewish community expressed the hope that the Saeima "would realize the essence of the bill and its importance for Latvia, and would eventually adopt it."

¶6. Comment: Even though the bill has not been forwarded to the Saeima standing committees for further consideration, it has not been definitively killed. Under Latvia's legislation, the government, five members of the Saeima, or any of the standing parliamentary committees can resubmit the bill to the Saeima. However, given the sensitivity and the politicization of the issue, at the least a delay is likely while supporters reassess the situation. Post plans to meet with members of the local Jewish community and members of the governing coalition to assess what steps would be most effective in getting this legislation back on track. End Comment.

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